

LATEST BY CABLE.

TOKIO, Mar. 8.—It is reported that the Russians are retreating and destroying the railroad north of Mukden.

RUSSIAN DISASTER CONFIRMED.

ST. PETERSBURG, Mar. 8.—It is stated that Gen. Kuropatkin has telegraphed the Czar that it is impossible to hold Mukden and that the army is withdrawing to Tieling. Criticism of Kuropatkin is increasing. The losses on both sides are greater than those at the battle of Liaoyang. The disaster will probably end the war.

Washington, February 7th, 1905.

To the JAPANESE CONSUL-GENERAL, Honolulu.

Our Manchurian Army reports as follows: In the direction of Kingkong the enemy near Tita, fifteen miles southeast of Fushun delivered on the 6th inst. repeated counter attacks, but was repulsed each time, while our attack on the enemy near Manchuntan fifteen miles south of Fushun was progressing favorably, despite the enemy's stubborn resistance. At 8 o'clock in the evening we occupied the height two miles south of Manchuntan.

In the direction of Pensiho our detachment by the afternoon of the 6th inst. occupied the heights ranging in the south of Paitsukou which are six miles south of Manchuntan, driving the enemy towards Sachiatzu, two miles southwest of Manshutan.

On the night of the 5th instant the enemy's counter attack in front of Kaotailing was repulsed towards the direction of Shapoin. In the district lying to the east of the railway the enemy's counter attack on the night of 5th inst. at Tungchiaofeng was repulsed. Otherwise there is no change in the situation.

In the district west of the railway an engagement is now proceeding with the enemy posted on the line extending from the east of Hanchengpao to Erhtaitzu. He is offering stout resistance. On the right bank of the Hunho the enemy about one division strong with 70 guns, appeared in the vicinity of Tashichiao, but was repulsed.

TAKAHIRA.

NEW YORK, Mar. 8.—Five thousand strikers on the Subway and Elevated lines have badly crippled the service. There was a rear-end collision in the subway last night due to inexperienced trainmen. Twenty-nine people were injured.

SACRAMENTO Mar. 8.—Martin Kelly, formerly the Republican boss of San Francisco, has been arrested on a charge of perjury.

ST. PETERSBURG, Mar. 8.—It is reported that Minister De Witte has resigned.

WASHINGTON, March 8, 1905.

To the JAPANESE CONSUL-GENERAL, Honolulu.

Marshal Oyama reports that the enemy, beaten in every direction, commenced retreat early in the morning of Wednesday and our armies are in vigorous pursuit.

TAKAHIRA.

TOKIO, Mar. 9.—The Russians are retreating and the Japanese pursuing. The battle was the bloodiest of the war, the Japanese losses being estimated at 50,000 and the total losses 100,000. Oku's division alone killed 8000 Russians. It is believed that the Japanese have cut the railway north of Mukden.

RUSSIA CONCEDES DEFEAT.

ST. PETERSBURG, Mar. 9.—The battle of Mukden was a Russian defeat. Kuropatkin is now retreating to Tie pass. It is believed that he will extricate the army. The character of the reverse is not generally known here and is being given to the public by degrees. It is admitted that Rennenkampf's forces to the eastward of Mukden are in danger of isolation. Kuropatkin's deposition is regarded as certain.

MANY SPIES CAPTURED.

MUKDEN, Mar. 9.—Many Japanese and Chinese spies were captured by the Russians.

RUSSIAN SHIPS RETURN.

PARIS, Mar. 8.—It is reported that the Russian fleet has left Madagascar and is returning to Jubutit. This would indicate abandonment of the Oriental trip.

LAUSANNE, Mar. 9.—Rear Admiral Houston, U. S. N., is dead.

Rear Admiral Edwin Samuel Houston, U. S. N., was born in Lancaster, Pa., May 13, 1845 and graduated at the Naval Academy in 1865. He was promoted to Ensign in 1866, Master, 1868; Lieutenant, 1869; Lieutenant-Commander, 1881; Commander, 1891; Captain, 1899 and Rear Admiral in 1902. He was retired in 1902 after forty years' service on many duties and stations. Admiral Houston was Captain of League Island Navy Yard in 1896-98 and commander of the U. S. Guntery Training Ship Amphitrite in 1899-1902.

Thomas Fitch cabled to Harry Johnston yesterday that the formal acquiescence of the Secretary of the Treasury in the decision of the U. S. Circuit Court of Appeals affirming the decision holding sake to be dutiable at 20 per cent ad valorem, had been filed. This means that half a million dollars or more wrongfully collected of sake importers will be returned to Honolulu. The money will be divided between Hackfeld & Co., Peacock & Co., S. I. Shaw, Gonsalves & Co., Macfarlane & Co., Lovejoy & Co., S. Ozaki, S. Kimura & Co., K. Odo, S. Kojima, T. Sumida, H. Hamano, Y. Suga, Harry Johnston and Thomas Fitch.

From information which has leaked out from army officers on the transport Logan, which arrived yesterday from San Francisco, it is believed the United States intends shortly to send a brigade of troops to the Panama strip to menace Venezuela.

President Castro is just now defying the United States in the matter of the Asphalt claims of an American company. Our minister at Caracas is pressing hard for a settlement and may need the moral effect of bayonets.

Officers on the Logan state that a secret order was received at San Francisco before the Logan sailed to send a brigade south and that the troops would undoubtedly go to Panama soon.

WATERFRONT TWO TRANSPORTS ARRIVE IN PORT

When the sun rose yesterday morning two big, white troopships were seen off the islands. The transport Thomas from Manila and Guam arrived the night before and lay several miles off shore to await the morning. A little after 6 o'clock she headed in for the harbor entrance and hove to for inspection. It was the Thomas which was reported last night, and the fact that she was so far off shore led to the report that she was the Aorangi.

While the Thomas was heading in for the harbor the transport Logan from San Francisco was coming along the Waikiki shore and she came up to the outside anchorage before inspection was completed on the Thomas. The doctors were soon through with their work and the steamers came inside and docked at the naval docks, the Thomas at No. 1 and the Logan at No. 2.

On the Thomas were a large number of officers' wives and daughters. An order has been made requiring all army ladies and children whose husbands and fathers have more than a year to serve in the islands on active duty, to return to the States. This is thought to have been prompted by the massacres that have recently taken place in some parts of the archipelago. Mrs. S. K. Hayt, widow of Captain Hayt, who was killed in one of the southern islands, and Mrs. J. A. O'Neill and Miss O'Neill, widow and daughter of Surgeon O'Neill, also murdered by Filipinos, are passengers on the transport accompanying the remains of the two gallant officers to the States. One hundred and thirty-six coffins containing the bodies of American soldiers who have died bravely for their country were in the hold of the Thomas. As the transport was late, she was hurried off to San Francisco, sailing at 4 o'clock. Beside cabin passengers the Thomas carried 551 enlisted men, 107 discharged soldiers and civilians and 22 prisoners.

The Sixth United States Infantry, Col. Duncan commanding, and four troops of the Eighth Cavalry, Captain Malvern Hill Barnum commanding, are aboard the Logan. Both organizations are accompanied by fine bands and the scene on the naval docks yesterday morning was most impressive. With the entire Sixth Regiment formed on the dock and the two bands playing the "Star Spangled Banner," the Stars and Stripes were hoisted on the two transports, the Petrel, the Iroquois and on the Naval Station staff. After this ceremony the entire regiment marched through the streets and a dress parade and inspection was held in Palace Square. The Logan will sail for Manila and Guam at 3 p. m. today.

AORANGI IS IN FROM COLONIES

The R. M. S. Aorangi, Captain J. D. S. Phillips, of the Canadian-Australian line made port late last night after a long voyage from the Colonies. The steamer was due yesterday morning and as the other boats of the line have been getting in the evening before they were due and as the Aorangi is especially prompt there was some speculation as to the cause of the delay. This was caused by the stop at Fanning Island. The Aorangi has eight passengers for Honolulu and 112 through. There are 100 crates of onions and fourteen boxes of butter in the cargo for Honolulu and a big cargo for Canada. The principal items are fruit, wool, fur skins, butter, frozen mutton, New Zealand flax, hemp and onions.

The steamer sailed from Sydney, February 20, at 1:30 p. m., and reached Brisbane on the 22nd at 8:25 p. m., sailing the next day at 12:32 a. m. The Mowera of the same line was passed at 8:30 a. m. of the 24th and strong southeast winds with moderately high seas were experienced on the run to Suva which port was reached on the 25th at 12:40 a. m. Passengers, mails and cargo from the S. S. Navina from Auckland were embarked and the steamer sailed for Fanning at 10:09 a. m., the 25th (2nd day). Fanning was reached at 7:50 a. m. on the 5th. All were found well and cargo was discharged. The Aorangi left the cable island at 9:58, the 5th, and after a smooth voyage arrived off Honolulu at 8 p. m., March 8th, and docked at 9:30. On the 6th at 8:15 p. m. the steamer passed a brigantine standing E. S. E. The Aorangi will sail for Victoria and Vancouver at 10 o'clock this morning. Mail on the steamer for the States was left here to be forwarded on the China.

PETREL WILL GO AWAY SATURDAY

A draft of twenty-one marines commanded by Lieut. Bigler, U. S. M. C., with Surgeon Tyree as the medical officer, arrived yesterday on the transport Logan. A large amount of supplies is expected tomorrow on the Alameda. These will be transferred to the Petrel on Friday and the warship will then depart for Midway. The marines now on the island will be brought back to Honolulu.

SHIPPING NOTES.

The Logan sails for Manila at 3 p. m. today.
The Aorangi sails for Victoria and Vancouver at 10 this morning.
The U. S. S. Iroquois goes to Pearl Harbor this morning to remain two days to complete the buoying of the channel. The buoys will be numbered from 1 to 19, inclusive.

ACCOUNTS COMMISSION SUBMITS ITS REPORT

The report of the Accounts Commission, appointed by Governor Carter agreeably to a resolution passed at the last session of the Legislature, the extra session of 1904, has been completed. The Commission, consisting of L. L. McCandless, W. W. Harris, and Richard H. Trent, was appointed by the Governor several months ago, and has been hard at work on its report, which is a document showing on its face the labor that was involved in its preparation.

The resolution calling for the appointment of the Commission provides "that the Governor be authorized to appoint a commission of three men, to serve without pay, to investigate and report at the next session of the Legislature a plan for the reorganization of our system of accounts, by establishing funds for each island or District, so that the residents in each may be able to see what each district contributes to the support of the whole, and how much has been expended for improvements and the maintenance of public institutions in each."

The text of the report itself follows:

Hon. George R. Carter, Governor:

Sir: The Commission appointed by you under Joint Resolution passed by the Hawaiian Legislature in special session in 1904, to investigate and report at the next regular session of the Legislature a plan for the reorganization of the Territorial system of accounts, respectfully submits its report: In order to get a definite idea of the receipts and expenditures of the Territory, as related to taxation division, your Commission secured from the Auditor's office a full statement of receipts and expenditures for a period of 12 months—from July 1, 1903, to June 30, 1904—showing sources of revenue and location of expenditures.

With the kindly assistance of yourself and the Auditor, these receipts and expenditures have been segregated under five general headings, as follows:

Territorial, First District, Second District, Third District, Fourth District.

Under the heading of "Territorial" we have placed all receipts and expenditures of a general character which were not directly applicable to any one of the taxation divisions.

Under the heading of "First District" we have placed all receipts and expenditures of the Island of Hawaii, not general in character.

Under the heading of "Second District" we have placed all receipts and expenditures of the Islands of Maui, Molokai and Lanai, not general in character.

Under the heading of "Third District" we have placed all receipts and expenditures of the Island of Oahu, not general in character.

Under the heading of "Fourth District" we have placed all receipts and expenditures of the Islands of Kauai and Niihau, not general in character.

From the statements furnished by the Auditor, the Commissioners found that during the period covered (July 1, 1903, to June 30, 1904) the total income of the Territory was \$2,415,336.33, from the respective divisions, as follows:

Territorial, \$646,082.46, or 26.75 per cent of total; First District, \$1,018,305.08, or 42.16 per cent of total; Second District, \$205,073.68, or 8.49 per cent of total; Third District, \$387,087.53, or 16.03 per cent of total; Fourth District, \$158,785.58, or 6.57 per cent of total. Total, \$2,415,336.33.

The expenditures for the same period were:

Territorial, \$1,381,233.12, or 57.19 per cent of income; First District, \$850,404.14, or 34.40 per cent of income; Second District, \$101,720.81, or 4.21 per cent of income; Third District, \$271,183.33, or 11.23 per cent of income; Fourth District, \$242,126.70, or 9.99 per cent of income. Total, \$2,677,104.37, or 110.84 per cent of income.

From the above tables it will be seen that whereas the Territorial expenditures were \$1,381,233.12, the Territorial income was only \$646,082.46, showing a deficit in Territorial account of \$735,150.66.

In searching for the most equitable plan of apportioning this deficiency in the territorial account to the several taxation divisions, your Commissioners noted that in the period mentioned the sum of \$1,226,480.63 was realized from the tax of one per cent on real and personal property in the Territory, distributed as follows:

1st Dist. \$682,843.83, or 55.67% of whole
2nd Dist. 148,233.40, or 12.09% of whole
3rd Dist. 277,312.90, or 22.61% of whole
4th Dist. 118,090.50, or 9.63% of whole

Total \$1,226,480.63 100.00%

And to make up the deficiency in the Territorial account it would require 60 per cent of the total taxes collected on real and personal property under the 1 per cent assessment, making the several taxation divisions contribute to the Territorial account, as follows:

1st Dist. \$409,706.29, or 55.67% of deficit
2nd Dist. 88,952.04, or 12.09% of deficit
3rd Dist. 166,387.74, or 22.61% of deficit
4th Dist. 70,842.30, or 9.63% of deficit

Total \$735,150.37 100.00%

A fraction more than required. Now it will be interesting to note, with calculations based on these percentages, what net amount, after deducting for the deficit in Territorial account, was contributed by each taxation division to the revenues of the Territory during the 12 months under consideration, and what amounts were expended in the respective districts during the same period. The following figures tell the story:

First District—Total local revenues,

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\$1,018,305.08; less to Territorial account, \$409,706.29; net local revenues, \$608,598.79; local expenditures, \$330,840.41.

Second District—Total local revenues, \$205,073.68; less to Territorial account, \$38,952.04; net local revenues, \$166,121.64; local expenditures, \$101,720.81.

Third District—Total local revenues, \$387,087.53; less to Territorial account, \$166,387.74; net local revenues, \$220,699.79; local expenditures, \$271,183.33.

Fourth District—Total local revenues, \$158,785.58; less to Territorial account, \$70,842.30; net local revenues, \$87,943.28; local expenditures, \$242,126.70.

Total local revenues for all districts, \$1,769,253.87. Total less to Territorial account for all districts, \$775,883.37. Total net local revenues for all districts, \$1,033,365.50. Total local expenditures for all districts, \$1,295,571.25.

In order to suggest a system of Territorial accounting which will show the sources of funds, as contemplated, the Commissioners have thought it well, as nearly as possible, to calculate what sum will be required during the biennial period soon to begin for general Territorial expenditures, so that a plan may be devised whereby each district's net revenues, after providing its share of the Territorial deficit, will show to the credit of the district.

To arrive at a working basis, your Commissioners have assumed that the total income from all sources during the two years to begin July 1st, 1905, and end June 30, 1907, will amount in round numbers to \$4,800,000.00; and using the percentages shown in the income table for the 12 months hereinbefore reviewed, this \$4,800,000.00 should come in the following proportions:

Territorial 26.75% \$1,284,000.00
First District 42.16% 2,023,680.00
Second District 8.49% 407,520.00
Third District 16.03% 769,440.00
Fourth District 6.57% 315,360.00

Total 100.00% \$4,800,000.00

Again, assuming that the Board of Health and the Department of Public Instruction will be continued as Territorial departments, and that the general revenues and general expenditures will run approximately as they did during the period from which the percentages hereinbefore determined were derived, your Commissioners estimate that the excess of Territorial expenditures over Territorial receipts for the next biennial period will amount, in round numbers, to \$1,440,000.00.

It is further estimated that the total income from real and personal property taxes for the same period will amount to \$2,400,000.00, in round numbers, distributed as follows:

First District 55.67% \$1,336,080.00
Second District 12.09% 290,160.00
Third District 22.61% 542,640.00
Fourth District 9.63% 231,120.00

Total 100.00% \$2,400,000.00

Now, if these figures be correct, and we believe them to be approximately so, it is found that the income by districts, the portion of such income to be devoted to Territorial deficit, and the net revenue of each district, will be as follows:

1st \$2,023,680.00 \$801,648.00 \$1,222,032.00
2nd 407,520.00 174,066.00 233,454.00
3rd 769,440.00 325,584.00 443,856.00
4th 315,360.00 138,672.00 176,688.00

Total \$3,516,000.00 \$1,440,000.00 \$2,076,000.00

Your Commission believes it would be a good idea to have district funds established on some such equitable basis as will be suggested by the foregoing tables, and we respectfully recommend that an effort be made to have the Territorial Legislature now in session enact necessary laws to have such effect.

This being done, we would further respectfully suggest that the excellent system of accounting now in use in the Auditor's office might be made to cover the requirements of the new conditions thus created by the adoption of a general cash book with columns for the respective funds, and the opening of separate ledgers for the funds so created.

We would also further recommend that as far as practicable the bookkeeping for all the governmental departments be done in the Auditor's office, and that all government dues be made payable into the Treasurer's office direct, instead of through several departmental offices, as at present.

Respectfully submitted,

L. L. McCANDLESS,

W. W. HARRIS,

RICHARD H. TRENT,

Commissioners.

Honolulu, T. H., March 7, 1905.

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THE ROYAL GOVERNOR WILL SURELY REPLY

The following letter was received at the Governor's office yesterday, and will of course receive prompt attention from "His Royal Excellency."

Honolulu, Koolau, Maui,

March 3rd, 1905.

To His Excellency, George R. Carter,

The Royal Governor of the Territory of Hawaii.

Aloha nui oe:

Your royal excellency is hereby respectfully requested to answer the question of your fellow citizens now residing at Honoumahu, Koolau, Maui, and that is this: Can we have some home-stead lands at Honoumahu, as this land has been leased to the Punene plantation by the Government and has only four years to run.

As you have the power as a royal governor over us we desire very much to have a few acres of land near our place and where our houses are now standing, where we are raising taro and planting trees, as we have lived here for a great many years, from the time when our children were small and now are grown men, and are still living on government lands. Some have lived here for fifty years, some ten years and yet none of them own any land whatever. Therefore, will you be good enough to look over the names of these persons:

I. K. Kapunihana (k), 55 years, two houses;

B. K. Lakalia (k), 73 years, no house and no land;

Kalani (k), 40 years, one house and no land;

Keahi (k), 60 years, no house and no land;

Keawe (k), 80 years, no house and no land;

Kanoa (k), 55 years, one house and no land;

Kalaauola (w), 40 years, and no land.

The names above mentioned are the persons who desire to have some home-stead lands here. Will our royal Governor be kind enough to give us his reply thereto.

We are, respectfully,

Through our Agent,

(Signed) I. K. KAPUNIHANAHANA.

Love Is Serious.

J. H. Love, who challenged Jim Quinn yesterday to a six-horse driving match, is of the impression that "Jim" is trying to make light of the challenge, and reiterates his desire to have the match come off at an early date.

"I am serious about this matter," says Mr. Love, "and I am perfectly willing to back up my challenge. Quinn says I can't drive a team, but I have money to back up my statement that I can beat him at his own game."